

**APPROVED**  
**MINUTES OF THE REGULAR MEETING OF THE**  
**ALAMEDA REUSE AND REDEVELOPMENT AUTHORITY**

**Wednesday, January 4, 2006**

**2-A**

**The meeting convened at 7:13 p.m. with Chair Johnson presiding.**

**1. ROLL CALL**

Present: Beverly Johnson, Chair of Alameda  
Tony Daysog, Boardmember, City of Alameda  
Doug deHaan, Boardmember, City of Alameda  
Frank Matarrese, Boardmember, City of Alameda  
Marie Gilmore, Boardmember, City of Alameda

**2. CONSENT CALENDAR**

- 2-A. Approval of the minutes of the Special Meeting of July 14, 2005.
- 2-B. Approval of the minutes of the Regular Meeting of September 7, 2005.
- 2-C. Approval of the minutes of the Regular Meeting of October 5, 2005.
- 2-D. Approval of the minutes of the Regular Meeting of December 7, 2005.

**Member Matarrese motioned for approved of the Consent Calendar items. The motion was seconded by Member deHaan and passed by the following voice vote: Ayes – 4; Noes - 0; Abstentions – 1 (Member Gilmore abstained on 2-A and 2-B)**

**3. REGULAR AGENDA ITEMS**

**3-A. Update on Alameda Point Navy Negotiations and Land Use Planning**

Steven Proud, Alameda Point Project Manager gave a presentation to update the status of Alameda Point on three different points:

*1) Navy conveyance process.* There are on-going discussions with the Navy. We're working with them to develop base case maps, land use plans, and common understanding of economic terms with the goal of creating a conveyance agreement. Member Matarrese clarified that 'compensation' means that we are going to pay the Navy for property that previously they were going to convey to us at no cost, a "no cost" conveyance. Mr. Proud confirmed and explained that the exact structure of that payment to the Navy has not yet been finalized.

Ultimately, all discussion will be memorialized in a Term Sheet, currently in development. The Term Sheet is the key document that goes with the Conditional Acquisition Agreement (CAA)

executed with APCP. Final approval of the completed Term Sheet needs to come from Washington before being executed.

Chair Johnson expressed concern and aggravation over the expense for attorneys for the CAM Fees, questioning why the Navy is going forward with litigation and forcing us to pay attorneys fees at this point in the negotiations.

Mr. Proud and David Brandt, Assistant City Attorney, explained the Navy's parallel, on-going legal process, and that the Navy had agreed to stay the proceedings. Mr. Brandt stated that the Navy will be contacted with a request to stay the proceedings once again. Mr. Proud further explained that one of the issues in the Term Sheet was resolution of the CAM dispute. The break-down of the fees will be reviewed.

Member Daysog discussed Public Auction (relating to the sale of property, i.e., Oaknoll) shouldn't mean loss of local control.

2) *Status of project budget.* Activities we're currently involved in are conveyance of the property and Land Use Planning activities. Original bond amount was \$3.5M covering an 18 months pre-development period. We are right on budget for land use planning, a little under budget on Navy Conveyance, but we have contractual obligations that bring us right on budget. Total ARRA cost is \$2.8M or 82% of our budget – this amount understates what we really have available because we have contractual obligations, the real availability of funds is the \$150,000 contingency money.

Member deHaan requested an explanation and background on the Bond. Mr. Proud explained that the Bond is secured by lease proceeds generated at Alameda Point. Total re-issue is approx. \$12-\$13M.

3) *Preliminary Development Concept (PDC) Project.* We are moving from draft to a final Development Plan. The Final PDC and will be presented at the 2/1/06 ARRA Meeting. Next steps – to finalize our conveyance agreement with the Navy and an Entitlement Process should the master developer elect to proceed. After the Entitlement Process, a Development and Disposition Agreement (DDA) will be presented for ARRA Board consideration; upon execution of the DDA, development of the site can begin.

Member Matarrese requested a concise report on how the bonding will be paid, the revenue stream and its sources identified, and written in plain English so that the public can be aware of what our situation is. Analysis that looks at certain portions of Phase 2 and/or Phase 3 are put to auction, what does that do to projections to covering these bonds.

Chair Johnson further discussed the CAM Fee litigation issue, stating that the ARRA is not authorizing any more monies to be spent on attorneys. Timing of the fees billing will be reviewed.

**3-B. Recommendation to Approve: 1) A Sixth Amendment to Agreement with Russell Resources Extending the Term Six Months and Adding \$40,000 to the Budget for Environmental Consulting Services within the Master Developer Footprint at Alameda Point and 2) a Fifth Amendment to Agreement with Russell Resources Adding \$36,000 to the Budget for Environmental Consulting Services within the “Northwest Territories” at Alameda Point.**

Steven Proud gave a brief summary of the services that Russell Resources provides, which primarily is the oversight of the environmental remediation program for Alameda Point.

**Member deHaan motioned for approval of this item. The motion was seconded by Member Matarrese and passed by the following voice vote: Ayes – 5; Noes – 0; Abstentions – 0**

**4. ORAL REPORTS**

4-A. Oral report from Member Matarrese, RAB representative.

Member Matarrese was unable to attend the last RAB meeting due to the DARE Graduation.

**5. ORAL COMMUNICATIONS, NON-AGENDA (PUBLIC COMMENT)**

There were no speaker slips.

**6. COMMUNICATIONS FROM THE GOVERNING BODY**

Chair Johnson discussed the issue regarding the policies on hiring outside counsel, and that the policy should apply to all Boards and Bodies. She requested that the policy be brought to the ARRA so it can be adopted as part of ARRA.

**7. ADJOURNMENT**

**Meeting was adjourned at 8:22 p.m.**

Respectfully submitted,

Irma Glidden  
ARRA Secretary